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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

In re:)	
)	Chapter 11
Circuit City Stores, Inc. et al.,)	
)	Case No. 08-35653-KRH
Debtors.)	
)	Jointly Administered

**OBJECTION OF CBL & ASSOCIATES MANAGEMENT, INC. TO PROPOSED
CURE AMOUNT**

CBL & Associates Management, Inc. ("CBL"), by and through counsel, hereby objects as follows to certain of the Debtors' proposed cure amounts set forth on Exhibit B to *Debtors' Motion for Orders Under 11 U.S.C. §§ 105, 363, and 365 (I) Approving Bidding and Auction Procedures for Sale of Unexpired Nonresidential Real Property Leases for Closing Stores, (II) Setting Sale Hearing Date, and (III) Authorizing and Approving (A) Sale of Certain Nonresidential Real Property Leases Free and Clear of Liens, Claims, and Encumbrances, (B) Assumption and Assignment of Certain Unexpired Nonresidential Real Property Leases, and (C) Lease Rejection Procedures* (the "Motion").

BACKGROUND

1. Circuit City, Inc. and its affiliated debtors (the “Debtors”) filed a voluntary petition under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq., (the “Bankruptcy Code”) on November 10, 2008. Upon information and belief, the Debtors have continued in possession of their properties and are operating their businesses and managing their properties as debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. CBL is the managing agent for the following shopping centers where the Debtors lease non-residential real property for their retail stores (the “Leased Premises”) pursuant to certain unexpired leases (the “Leases”):

Shopping Center	Location	Store Number
Jefferson Mall	Louisville, Kentucky	0520
Mall Del Norte	Laredo, Texas	3645
Oak Hollow Mall	High Point, North Carolina	3230
Parkdale Expansion	Beaumont, Texas	
Southaven Towne Center	Southaven, Mississippi	3589
The Landing	Douglasville, Georgia	3406
The Terrace	Chattanooga, Tennessee	0851
The Village at Rivergate Mall	Nashville, Tennessee	0843

3. All of the Leased Premises are located in “shopping centers” for purposes of Section 365(b)(3) of the Bankruptcy Code.

4. The Debtors filed the instant Motion on or about November 26, 2008. In the Motion the Debtors seek, among other things, an Order approving proposed cure amounts for the leases they may sell at auction. In the Motion the Debtors indicating their belief that they are current on their lease obligations, with limited exceptions set forth on Exhibit B to the Motion (collectively, the “Alleged Cure Amounts”).

5. Among the Alleged Cure Amounts listed on Exhibit B are proposed cures for Jefferson Mall and The Landing.

6. CBL objects to the Alleged Cure Amounts for the Leases. The table below sets forth the Alleged Cure Amounts and the Actual Cure Amounts due per CBL's records as of December 9, 2008:

Location	Proposed Cure Amount	Actual Cure Amount
The Landing (Store #3406)	\$9,795.00	\$1,815.46
Jefferson Mall (Store #520)	\$5,247.00	\$15,955.25
Mall Del Norte (Store #3645)	\$0	\$31,885.73
Oak Hollow Mall (Store #3230)	\$0	\$384.06
Parkale Expansion (Store #_____)	\$0	\$82,046.26
Southaven Towne Center (Store #3589)	\$0	\$82,080.50
The Landing at Arbor Place (Store #3406)	\$0	\$1,815.46
The Terrace (#851)	\$0	\$3,709.62
The Village at Rivergate (#843)	\$0	\$89,312.25

7. Further, CBL would object to the Alleged Cure Amounts, in that they do not address any of the reasonable costs, fees, or expenses incurred to date in conjunction with Debtors' defaults under the CBL Leases or in conjunction with this bankruptcy proceeding, for which the Debtor is liable under the terms of the CBL Leases.

8. CBL would further object to the Alleged Cure Amounts to the extent that they may attempt to exclude year-end adjustments for calendar year 2007 or 2008 from such

calculations. Under the terms of the CBL Leases, such items as Common Area Maintenance and Real Estate Taxes are billed to the tenants at the respective shopping malls on a monthly basis, and are an estimated payment based upon the prior year's actual costs. These charges are re-calculated at the close of the calendar year based upon the actual charges incurred, and are retroactively billed to the tenants of the respective shopping malls. CBL would respectfully request that this Court impose restrictions concerning any prospective assignment that would not adequately assure payment of the same.

9. CBL would further object to the Alleged Cure Amounts and would reserve the right to adjust its damage calculations to account for any further default under the terms of the respective CBL Leases occurring prior to any actual assignment of said Leases.

10. CBL further would join in the objections raised by the other landlords to the extent said objections are not inconsistent herewith.

WHEREFORE, CBL prays that this Court deny Debtors' Motion unless and until the Court directs the Debtors to pay to CBL the Actual Cure Amounts, including the expenses, costs, and fees associated with the respective lease defaults and bankruptcy proceedings;

WHEREFORE, CBL prays that this Court deny Debtors' Motion unless and until this Court directs that Debtor (or, in the alternative, any assignee of any of the CBL Leases) meet such requirements as the Court may deem appropriate with regard to adequate assurances of payment of the 2007 and/or 2008 Year-End Adjustments;

WHEREFORE, CBL prays that this Court deny Debtor's Cure Amounts Motion unless and until provision is made for CBL to adjust its damage calculations to account for damages resulting from any default under the terms of the respective CBL Leases prior to any actual assignment of the same.

WHEREFORE, CBL would respectfully pray for the relief set forth in this Motion, and for such other and further relief as this Court deems fit under the circumstances.

Dated: Richmond, Virginia
December 10, 2008

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify under penalty of perjury that on December 10, 2008, a true and exact copy of the foregoing objection was forwarded via ECF notification or by first class, postage prepaid, to the following necessary parties as set forth in the Order Establishing Certain Notice, Case Management, and Administrative Procedures entered November 13, 2008: (i) the Office of the United States Trustee for the Eastern District of Virginia, (ii) the Debtors and bankruptcy co-counsel, (iii) counsel to the Official Committee of Unsecured Creditors, (iv) counsel to the agents for the Debtors' pre-petition lenders, (v) counsel to the agents for the Debtors' post-petition lenders, and (vi) all parties that have requested notice pursuant to Bankruptcy Rule 2002.

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